

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2940
ANSWERED ON:10.08.2001
AUDIT RECOVERY WAIVED BY GIC
SHAMSHER SINGH DULLO

Will the Minister of FINANCE be pleased to state:

to the reply given to the Unstarred Question No.6054 on April 27, 2001 regarding audit recoveries waived by GIC and state;

- (a) whether the requisite information has been obtained;
- (b) if so, the details thereof;
- (c) if not, the reasons for delay in obtaining the information; and
- (d) the time by which the information is likely to be obtained?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a): Yes, Sir.

(b): Information is given in the Annexure.

(c)&(d): Do not arise.

A N N E X U R E

INFORMATION IN REPLY TO PART (b) OF THE LOK SABHA UNSTARRED QUESTION NO.2940 FOR 10.8.2001.

The requisite information as asked for in the Lok Sabha Unstarred Question No.6054 for 27.4.2001 is given as under:-

(a) & (b):- There are no specific guidelines for holding responsible the Divisional & Branch Heads for recoveries pointed out by the Internal Audit Department and Government Audit Department. However, the four Companies have elaborate procedure for looking into the audit queries and audit recoveries are very closely monitored by Internal Audit Department headed by Company's Financial Adviser and by the Sub-Committee of the Board of the respective Company. In the Annual Confidential Report of the Divisional & Branch Heads, there is also a specific column mentioning the progress with regard to settlement of both Government Audit & Internal Audit queries. The progress shown is assessed at the time of their promotion. In respect of repeated cases, if any, responsibility is fixed and appropriate action is initiated against concerned Officers.

(c): The details of recoveries waived by GIC & its Subsidiaries during the last three financial years are as under:-

Company	No. of queries waived	Amount in Rupees
GIC	NIL	NIL
National	19	18.27 Lacs
New India	33	241.61 Lacs
Oriental	4	100.88 Lacs
United India	1670	216.43 Lacs

(d): The waiver is undertaken only as a last resort after exhausting all avenues for recovery. Considering the volume of the business being underwritten all over India and considering the complex nature of general insurance business as such, the queries and the recoveries waived form a very small percentage of the business written.